



## ENGLAND 2022-24 PAY DEAL IMPLEMENTATION: BRANCH BRIEFING

### General implementation

1. The deal (both lump sums and the 5% consolidated for 23/24) will be implemented in June pay packets.
2. This means that the Review Body pay setting process for 2023/24 will be stood down.
3. Updated FAQs from the DHSC on a range of implementation issues including HCAS, pension tiers, maternity etc leave can be accessed here: <https://www.nhsemployers.org/payofferFAQs>
4. Please note that staff on band 1 entry point of 2 will already have had an [interim uplift in April to stay compliant with national minimum wage](#). They will get the balance of their uplift in their June pay to take them to an hourly rate of £11.45 – 55p above the real Living Wage.

### Instalment option for lump sum to lessen impact on benefit entitlements

Implementation in June salaries is set to include:

- Lump sums totalling between £1,655 and £3,789 (for full-time staff)\*
- The 5% consolidated increase to basic pay for 2023/24 with back pay to cover April and May\*\*

*\*For government internal administrative and accounting reasons these will show as two separate payments on pay slips.*

*\*\* 10.4% for band1/band 2 entry point – but note some of this has been paid from April due to the interim NMW uplift*

The combination of significant lump sum payments and an element of back pay going into a single month's salary could have an immediate impact on Universal Credit (UC) as it is assessed from month to month. This is because increases in earnings can reduce (or stop) the amount of UC staff are entitled to.



UNISON and other health unions have got agreement from NHS Employers to issue guidance to local employers about offering staff the option to have their lump sums in instalments, rather than in one month's pay packet.

**The guidance on offering instalment options can be accessed here:**

<https://www.nhsemployers.org/articles/202223-additional-payments-guidance>

It includes:

- **payroll over-ride instructions to employers** covering the steps they need to take to set up an alternative payment schedule.
- advice that staff need to **individually request the instalments option in advance** to enable employer processing of requests by 5 June.
- advice that the **number of instalments should be individually agreed** with the member of staff.
- confirmation that if staff leave part way through receiving the instalments they are still entitled to receive the remainder of their full lump sum.

## Key actions for branches:

- 1) Read the guidance and discuss it with your employer including:
  - how you can work in partnership to ensure the timely communication of this option to staff
  - any signposting to sources of advice for staff to help them assess their own circumstances eg helplines, welfare advisors
  - the process staff will be expected to use to apply and how requests will be processed
  - what the deadline will be for requests to enable the employer to process them by the 5 June cut-off
- 2) Use your member communications channels to make sure members covered by the pay deal<sup>1</sup> are aware that they have this option. You can use the considerations we have **set out below** to give members some pointers but you won't be in a position to advise them in detail – they will need to take specific advice on their personal circumstances.

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<sup>1</sup>Members directly employed by NHS trusts and organisations listed in Annex 1 of the NHS terms and conditions handbook. Branches and regions will need to work on extending it to contractor and other non-directly employed staff) unless they have an automatic contractual entitlement to AfC pay awards.



## Advice for members who think they might be better off with the instalments option

The interaction between changes to pay and impact on Universal Credit/other in-work benefits is very complex as it will depend on your individual household circumstances including your partner's income, number of children, housing type etc.

For this reason, it's not possible for unions and employers to factor these impacts into our pay negotiations. However, we know it can cause considerable difficulties for some staff when a pay increase causes a decrease in benefits in an unexpected way. This can particularly be the case where you are on UC and you get a large one-off sum in one month's pay packet.

So unions have worked with NHS Employers to produce guidance on how local employers should offer staff the option of spreading their lump sum into instalments – rather than a single payment. It is hoped that this can help avoid or minimise reductions to your benefit entitlements.

You need to look at your own circumstances to understand whether instalments would be preferable for you.

### Getting started

1. You can see the size of lump sum you can expect by looking at the 'What the offer means for you' section of [UNISON's pay offer webpage](#). Remember the figures there are for full-time employees so if you're part-time you'll need to pro-rata this. Remember you will also get the effects of your 5% permanent pay increase (higher if you're on band 1 or band 2 entry) in your June salary, with backpay to 1 April. For precise details you can contact your payroll department.
2. UNISON's online benefits calculator at <https://unison.entitledto.co.uk> might be helpful as a starting point – you can put in what your monthly income will be for June including the lump sum and see what it suggests will be your benefit entitlements. **But to get a more accurate picture contact Universal Credit via your online account or calling the free Helpline on 0800 328 5644.**



## Possible Universal Credit impact in more detail

The additional amount you get in your pay in June could reduce the amount of Universal Credit you receive in July. In some cases, it could stop your UC. There is some guidance on 'surplus earnings' [here](#). The possibility of these effects means that – depending on your individual circumstances and the size of your lump sum (and back pay) – you could be better off spreading out your payment over more than one month to avoid or minimise reductions to your Universal Credit.

You will need to take your own advice on whether that is the case and – if it is – make a request for instalments following your employer's process. You will need to agree the number of instalments that will work best for you.

**If your Universal Credit payment stops**, make sure you let DWP know that your income will be going down again once the lump sum element drops out of your pay packet. You are likely to need to make a fresh claim asap when your income adjusts down.

- To reclaim, log into your **Universal Credit Journal** <https://www.gov.uk/sign-in-universal-credit> and follow the advice about how to 'Reclaim'. You will have to answer a few simple questions.
- If you have problems re-starting your claim, contact Universal Credit, the **helpline is 0800 328 5644**.
- Further help can be obtained from Jobcentre Plus staff.

## Other in-work benefits

Other benefits work in different ways – for example tax credits are based on the income you declared for the previous tax year. However, HMRC advises that you should immediately [report a change in income especially if it is £2,500 or more](#).

**Tax credit helpline details are here:**

<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/tax-credits-enquiries>